



Sen. William R. Haine

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09800HB2618sam001

LRB098 09390 RPM 45151 a

1 AMENDMENT TO HOUSE BILL 2618

2 AMENDMENT NO. _____. Amend House Bill 2618 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 changing Section 805.1 as follows:

6 (215 ILCS 5/805.1)

7 Sec. 805.1. Mine Subsidence Coverage.

8 (a) Beginning January 1, 1994, every policy issued or
9 renewed insuring a residence on a direct basis shall include,
10 at a separately stated premium, residential coverage unless
11 waived in writing by the insured. Beginning January 1, 1994,
12 every policy issued or renewed insuring a commercial building
13 on a direct basis shall include at a separately stated premium,
14 commercial coverage unless waived in writing by the insured.
15 Beginning January 1, 1994, every policy issued or renewed
16 insuring a living unit on a direct basis shall include, at a

1 separately stated premium, living unit coverage unless waived
2 in writing by the insured.

3 (b) If the insured has previously waived mine subsidence
4 coverage in writing, the insurer or agent need not offer mine
5 subsidence coverage in any renewal or supplementary policy in
6 connection with a policy previously issued to such insured by
7 the same insurer, unless the insured subsequently makes a
8 written request for mine subsidence coverage.

9 (c) The premium charged for residential, commercial or
10 living unit coverage shall be the premium level set by the
11 Fund. The loss covered shall be the loss in excess of the
12 deductible or retention established by the Fund and contained
13 in a mine subsidence endorsement to the policy. For all
14 policies issued or renewed on or after January 1, 2008, the
15 reinsured loss per residence, per commercial building, and per
16 living unit shall be the amounts established by the Fund and
17 approved by the Director. For all policies issued or renewed on
18 or after January 1, 1996, the amount of reinsurance available
19 from the Fund shall not be less than \$200,000 per residence,
20 \$200,000 per commercial building, or \$15,000 per living unit.
21 The Fund may, from time to time, adjust the amount of
22 reinsurance available as long as the minimum set by this
23 Section is met.

24 (d) The residential coverage provided pursuant to this
25 Article may also cover the additional living expenses
26 reasonably and necessarily incurred by the owner of a residence

1 who has been temporarily displaced as the direct result of
2 damage to the residence caused by mine subsidence if the
3 underlying policy also covers this type of loss, provided
4 however, that the loss covered under living unit coverage shall
5 be limited to losses to improvements and betterments, and
6 reimbursement of additional living expenses and assessments
7 made against the insured on account of mine subsidence loss.

8 (e) The total amount of the loss reimbursable to an insurer
9 shall be limited to the amount of insurance reinsured by the
10 Fund in force at the time when the damage first becomes
11 reasonably observable. All damage caused by a single mine
12 subsidence event or several subsidence events which are
13 continuous shall constitute one occurrence. As set forth in
14 subsections (a) and (c) of this Section, a policy issued or
15 renewed must provide coverage, unless waived in writing by the
16 insured, and the insurer must continue to charge the premium
17 level set for that coverage by the Fund. If mine subsidence
18 coverage is in force when the mine subsidence event first
19 becomes reasonably observable and when the insured makes a mine
20 subsidence claim, then the insurer shall notify the insured
21 making the claim within 30 days after the Fund confirms the
22 claim that continuation of that coverage thereafter may not be
23 necessary and is optional, but that continued coverage shall
24 terminate only upon written waiver by the insured.

25 (f) No insurer shall be required to offer mine subsidence
26 coverage in excess of the reinsured limits.

1 (Source: P.A. 95-92, eff. 1-1-08; 95-334, eff. 1-1-08.)".